

Windows For Professionals

Privacy boom looms

By Sarah Gilbert, iTnews
Thursday, May 17, 2001

Like GST and Y2K before it, privacy compliance should see an IT consulting boom emerge ahead of the December 21 deadline, when amendments to the Privacy Act take effect.

From December 21 this year, all Australian businesses with a turnover of more than \$3 million dollars (along with some smaller businesses) will be subject to the Privacy Act, which has been amended to apply to the private sector. The Amendment Act received royal assent on December 21 last year, and the business community has been allowed twelve months to comply.

Only one in thirty Australian businesses are privacy compliant stage now, and the other 29 would have trouble giving customers the access to personal information that the Act requires, said Ulysses Chioatto, Deloitte Touche Tohmatsu's national director of intellectual property and privacy.

In a mini IT privacy consulting boom, consultants may be required to step in and clean up the huge but poorly managed databases that ecommerce has engendered.

At the round table on e-privacy hosted by Tivoli on Wednesday, Bernard Hill, a barrister and privacy specialist at 90 East, agreed that businesses had a lot of work to do in gearing up for the new regime.

The most important thing, Hill said, is that all businesses affected by the Act must put in place a privacy policy that meets the requirements of the law and can be effectively administered within the business.

"The piece of the Act that I think will have the most impact on business and will provide the biggest challenges will be the right to access personal information," he said.

The Act says that everyone has the right to have access to any information about themselves – which includes not only data, but opinions about them, either true or false, and information they may not even know exists.

This right complements the requirement that organisations ensure that all personal information is up to date and complete.

"Who better to determine the accuracy of the information about me being held by an organisation, than me?" Hill asked. "It allows me to access that information and if necessary correct or update the information."

The main purpose of the Act is to increase trust, Hill said.

"It's part of the whole regime of the privacy act to increase trust between individuals and organisations that seek to collect and hold personal information. It enhances the sense of trust by granting me visitation rights on my personal information. Hence this pseudo-property nature of personal information that is coming into the law."

Hill explained that the law is essentially a piece of human rights legislation, and does not lend itself readily to damages claims. In most cases, businesses will be required to deal with a privacy complaint themselves, and if the customer is still not satisfied, she or he can make a complaint to the Privacy Commissioner. However, there is provision for restitution, and Hill said it remains to be seen how the damages issue will play out.

"When rubber's to road, could an individual assert that right to compensation? Well, we don't really know," Hill said. "But again, I would argue, that the loss of business and reputation that a company may suffer would far outweigh any monetary compensation they may have to pay."